

**SUPPORTING STATEMENT
REPORT OF CONSTRUCTION CONTRACTOR'S WAGE RATES
REGULATIONS 29 C.F.R. PART 1, FORM WD-10
OMB CONTROL No. 1235-0015**

This ICR is being submitted as an extension.

1. Circumstances that make the collection of information necessary.

The Davis-Bacon Act (DBA), 40 U.S.C. § 3141, *et seq.*, provides, in part, that every contract in excess of \$2000 to which the United States or the District of Columbia is a party for construction, alteration, and/or repair, which requires or involves the employment of mechanics and/or laborers, shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics that were determined by the Secretary of Labor to be prevailing for corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State in which the work is to be performed.

The Administrator of the Wage and Hour Division (WHD), through a delegation of authority, is responsible for issuing these wage determinations (WDs). Regulations 29 C.F.R. § 1.3 provides, in part, that the Administrator will conduct a continuing program for obtaining and compiling wage rate information for the purpose of making WDs. The Administrator will also encourage the voluntary submission of wage rate data by contractors, contractors' associations, labor organizations, public officials, and other interested parties, reflecting wage rates paid to laborers and mechanics on various types of construction in the area. See 29 C.F.R. § 1.3(a). The information submitted should reflect not only the wage rates paid a particular classification in an area, but also the type or types of construction on which such rate or rates are paid, and whether or not such rates were paid on Federal or federally assisted projects subject to DBA prevailing wage requirements. *Id.*

In October, 2009, the National Defense Authorization Act (NDAA) of 2010 (Guam Realignment Fund) placed a requirement on the WHD to establish wage rates for Guam under the provisions of the Davis-Bacon Act. The NDAA required that WHD establish wage rates for Guam under the provisions of the Davis-Bacon Act. The NDAA required that WHD establish wage rates for Guam each year until 90% of the funds for the Guam realignment project were expended. In addition, this Act placed an additional requirement on the WHD that the rates and employees working in Guam under the H2B program could not be used in the calculation of the DBA rates. This requirement required that the WHD amend instructions for completion of the Form WD-10, which is the instrument for DBA data.

2. By whom, how and for what purpose is the information to be used.

Form WD-10 is an optional form respondents may use to ensure consistency in submission of wage data. Respondents may use an alternate format to submit data, provided it includes the information requested in the applicable regulations. The WHD uses the wage data submitted by voluntary respondents to determine locally prevailing wages under the Davis-Bacon and

Related Acts (DBRA). This wage data collection is a primary source of information and is essential to the determination of prevailing wages.

The WHD sends letters announcing a DBRA wage survey to Congressional representatives, contractor trade associations, and building trade unions at both the local and headquarters levels to advise them of the survey and solicit their cooperation in furnishing payment data. The WHD also sends letters to general contractors that have been identified as working on construction projects within the survey period. General contractors and subcontractors are requested to supply a list of their subcontractors, who are then also notified of the survey. (The WHD provides a Form WD-10 continuation sheet for this purpose.) In addition, the WHD notifies Federal, state, and local agencies. These letters inform them of the type of construction and area being surveyed, survey period, and cut-off data for data submission and asks them to encourage contractors to respond to the survey when contacted.

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3. Consideration of the use of improved information technology.

Because the WHD has an automated survey data system that generates contact letters to notify interested parties when up-coming surveys are initiated, the WHD requests that all interested parties (i.e., national, state and local unions, associated contractor groups) identify the appropriate survey contact(s) for their organizations. The WHD maintains this information in a central data bank and provides a list of active and planned wage surveys on its Internet site(<http://www.dol.gov/whd/govcontracts/wagesurveys.htm>), which broadens accessibility to other interested parties.

In accordance with the Government Paperwork Elimination Act (GPEA), an electronic version of this form is available through the WHD Internet Web site <http://www.dol.gov/whd/programs/dbra/wd10>), allowing respondents to complete and submit Form WD-10 electronically on-line.

A paper version of the form is mailed to respondents who do not have access to the electronic version of the form.

4. Efforts to identify duplication.

Because this information is not available from any other source, and the WHD has the sole responsibility for determining prevailing wages under the DBRA, there is no duplicative effort to obtain this information.

5. **Methods to minimize the burden to small businesses involved.**

This information collection does not have a significant economic impact on a substantial number of small entities. The information collected is the minimum necessary for the DOL to determine prevailing wages under the DBRA.

6. **Consequences to the Federal program if collection were conducted less frequently.**

The WHD could not effectively issue WDs based on current prevailing wage rates for various localities throughout the country were the agency to collect the information less frequently.

7. **Special circumstances that would cause the information collection to be conducted in manner inconsistent with guidelines.**

There are no special circumstances associated with this information collection.

8. **Consultation.**

The DOL published a Federal Register Notice on October 18, 2016, inviting public comments about this information collection. 81 FR 71768. The agency received one comment.

AGC of America submitted a comment that the time allowed for completion of the survey is too low. The estimated time for completion is not a change and WHD notes the form is voluntary. It is estimated that for some it will take longer to complete the form and for some it will take less time to complete the form. AGC comments that there is a concern about “inaccuracies on the form.” The Department believes the commenter means that the form is submitted to the Department with inaccurate data submitted as opposed to the data points on the form. This is because the commenter goes on to explain why contractors are submitting inaccurate data by submitting base rates rather than time to report each of the fringe wages.

The commenter also recommends partnering with third-party wage survey specialists to survey more frequently, ensure wages are solicited and incorporated by private contractors to more accurately reflect overall market conditions, and allow the use of state prevailing wage rates. These suggestions have been forwarded to the government contracts division for consideration as they would require reorganization of the process.

To maximize opportunities for participation, the WHD (as previously indicated in Item 2) sends letters announcing a DBRA wage survey to Congressional representatives, contractor trade associations, and building trade unions at both the local and headquarters levels to advise them of the survey and solicit their cooperation in furnishing payment data. The WHD also sends letters to general contractors and subcontractors that have been identified as working on construction projects within the survey period. In addition, the WHD notifies Federal, state, and local agencies. The contents of these letters involve the type of construction and area being surveyed, survey period, and cut-off date for data submission and ask recipients to encourage contractors to respond to the survey when contacted. Finally, in order to facilitate participation

by interested parties not known to the agency, the WHD Web site also includes information about upcoming and ongoing DBRA WD surveys. See www.dol.gov/whd/programs/dbra/surveys.htm. These additional outreach efforts have not resulted in the WHD becoming aware of improved collection methods.

9. Explain any decision to provide any payment or gift to respondents.

The DOL makes no payments or gifts to respondents.

10. Describe any assurances of confidentiality provided to respondents.

The DOL informs respondents that their identity will be kept confidential to the maximum extent possible under existing law. As a practical matter, the DOL would only disclose information collected under this request in accordance with the provisions of the Freedom of Information Act, 5 U.S.C. § 552, and its attendant regulations, 29 C.F.R. Part 70, and the Privacy Act, 5 U.S.C. § 552a, and its attendant regulations, 29 C.F.R. Part 71. The DOL has disclosed summaries of the wage data utilized to determine prevailing wages and fringe benefits but not the names and addresses of the respondents who submitted the data.

11. Additional justification for any questions of a sensitive nature.

The DOL asks no sensitive questions in this information collection.

12. Estimates of reporting and recordkeeping hour and cost burdens of the collection of information.

Estimated Annualized Respondent Burden Hours and Costs

Form	Number of Respondents	Number of Responses per Response	Total Annual Responses	Avg. Burden per Response (in Hrs.)	Total Burden Hours	Hourly Wage Rate	Total Burden Costs
WD-10	24,000	1.5	36,000	20/60	12,000	\$25.89	\$310,680

Clerical personnel generally complete most WD-10s. Without specific wage data regarding respondents, the DOL has used the November, 2016 average hourly earnings for production or nonsupervisory workers in the private sector on nonfarm payrolls of \$25.89 to estimate respondent costs. (See *The Employment Situation: November 2016*, Table B-3, DOL, U.S. Bureau of Labor Statistics, <http://www.bls.gov/news.release/pdf/empsit.pdf>. This document is uploaded as a Supplementary document in ROCIS.

13. **Estimates of annualized capital and start up costs.**

There are no costs to the respondent other than their time in Item A12.

14. **Estimates of annualized Federal Government costs.**

The DOL, based on expenses, estimates annual Federal costs as follows:

- **Analysis**

10 staff years (50% of work hours of 20 Wage Analysts in time spent analyzing and compiling wage data from completed WD-10s).

10 GS-9 (Step 4) employees x 0.5 time	x \$58,776 salary =	\$293,880
10 GS-11 (Step 4) employees x 0.5 time	x \$71,115 salary =	\$355,575
Analysis Sub-Total:		\$649,455

- Mail Processing Costs for 36,000 Surveys

The WHD mails Forms WD-10 to survey respondents, enclosing franked and addressed envelopes for returning completed forms.

Printing and Mailing:	\$325,000
Scanning:	\$450,000
Mail Processing Sub-Total	\$775,000

- Contract for Data Entry and data verification (University of Tennessee)

\$2,164,085

- Data Sources

\$356,000 (Agency Share for *FW Dodge Reports* subscription)

TOTAL ANNUAL FEDERAL COSTS = \$3,944,540 (\$649,455 + \$775,000 + \$2,164,085 + \$356,000)

15. **Explanation for change in burden.**

The DOL reduced the annual burden hours for this request from 22,000 to 12,000. In 2013, WHD surveyed a few large states that increased the total number of respondents and therefore increased the total burden hours. WHD does not expect data collection from similar large state during this request.

16. **Information collections data publication plans.**

The DOL does not publish this information for statistical use.

17. **Explanation for seeking not to display the expiration date for OMB approval of the information collection.**

The DOL will display the expiration date for this information collection.

18. **Exception to the certification statement.**

The DOL does not seek an exception to the certification requirement.